

Department of Defense



End-to-End Procurement Process

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End-to-End Procurement Process

Agenda

- ▮ **Introductions**
- ▮ **Background**
- ▮ **Approach**
 - ▮ **Results To Date**
 - ▮ **Near Term Actions**
 - ▮ **Remaining Activities**
- ▮ **Progress Review with DCMC and DFAS**
- ▮ **Questions**



End-to-End Procurement Process

Background

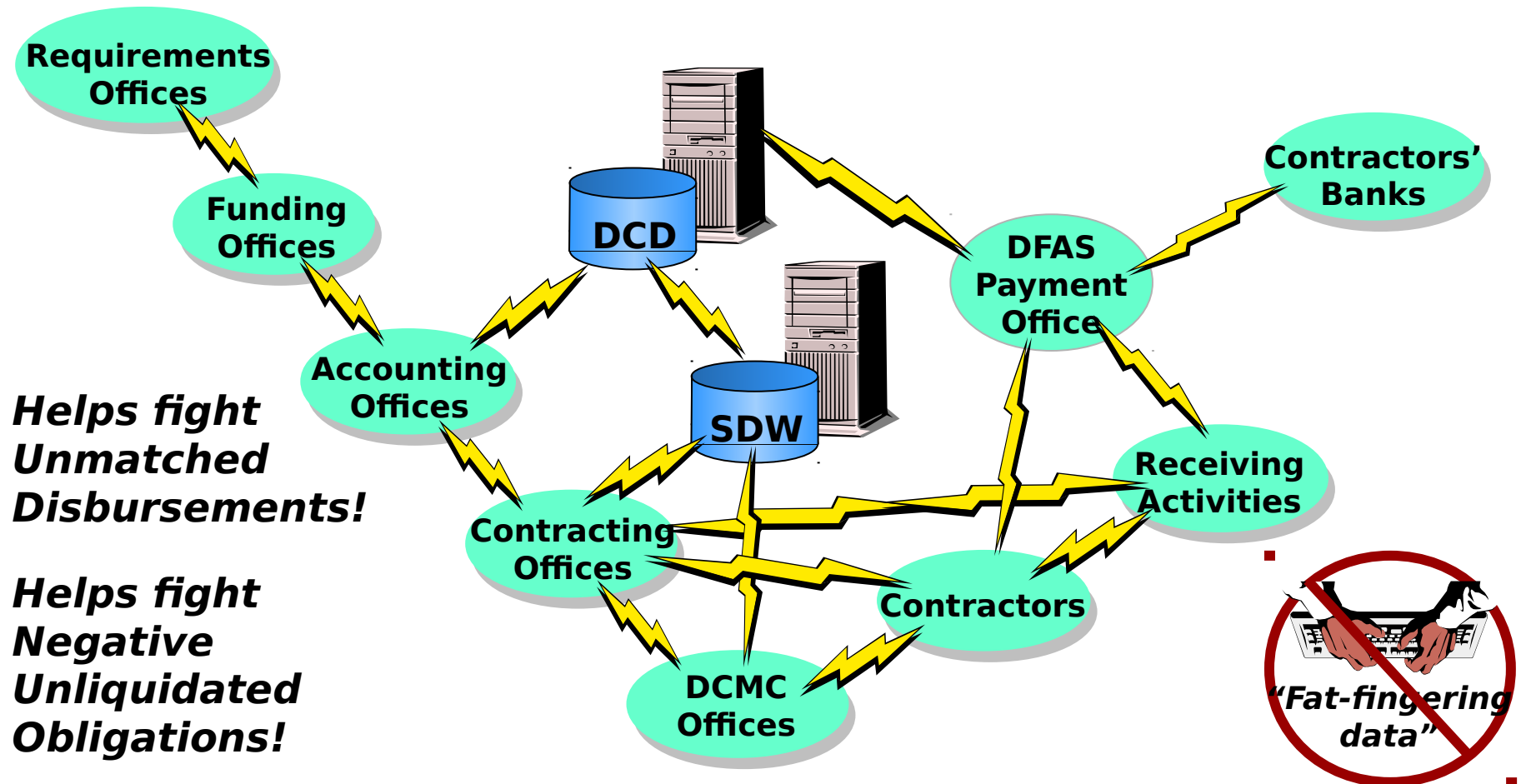
- ▮ **The Deputy Secretary of Defense's Paperless Acquisition Goals--*particularly as they relate to Unmatched Disbursements and Negative Unliquidated Obligations***
- ▮ **Management Reform Memorandum #2, Moving to a Paperless Contracting Process by January 1, 2000**
- ▮ **"As-is" Contracting Process Model developed by Paperless Contracting Working-level IPT in early 1998**
- ▮ **September 22nd Director, Defense Procurement Memo--DCMC Lead "*an 'End-to-end' Process Review of Contracting Requirements and SPS Systems Interface Issues.*"**
- ▮ **Defense Reform Initiative Directive #47 Signed 9 Dec 98 - End-to-End Procurement Process**
- ▮ **Established Website at <http://www.dcmc.hq.dla.mil/centers/paperless/e2e/index.htm>**



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The Paperless Acquisition Vision

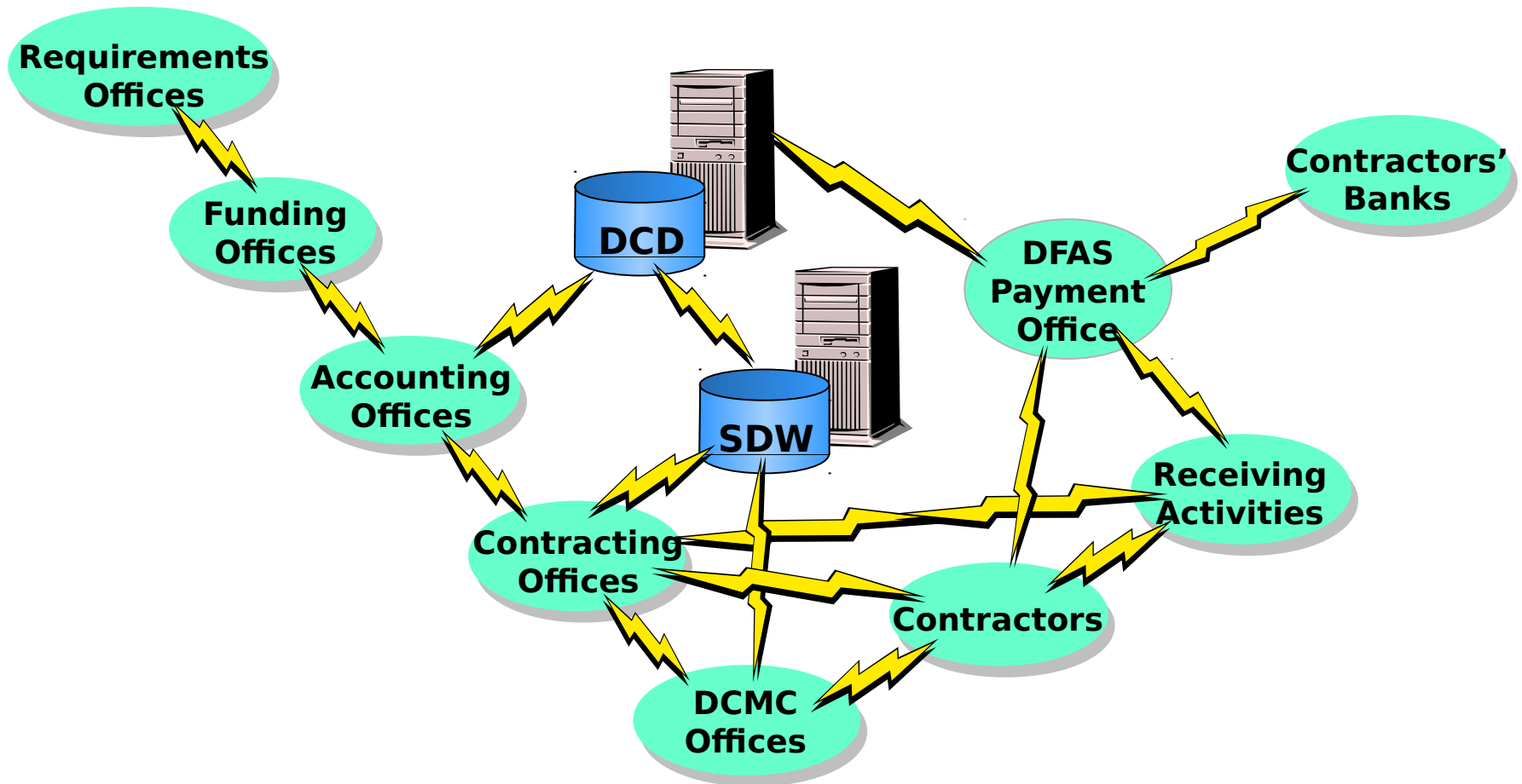
... seamless ... all electronic ...





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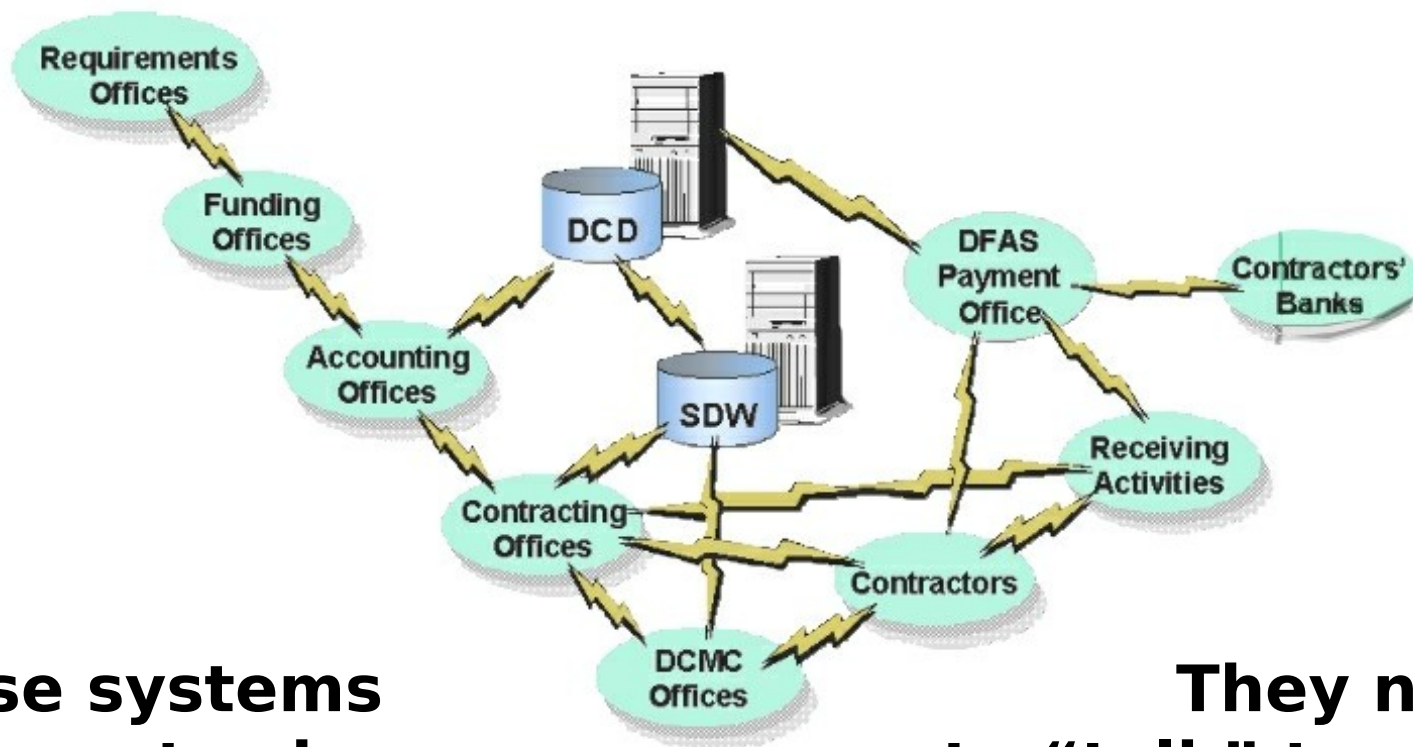
Will it work?





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Only if everyone helps make sure!



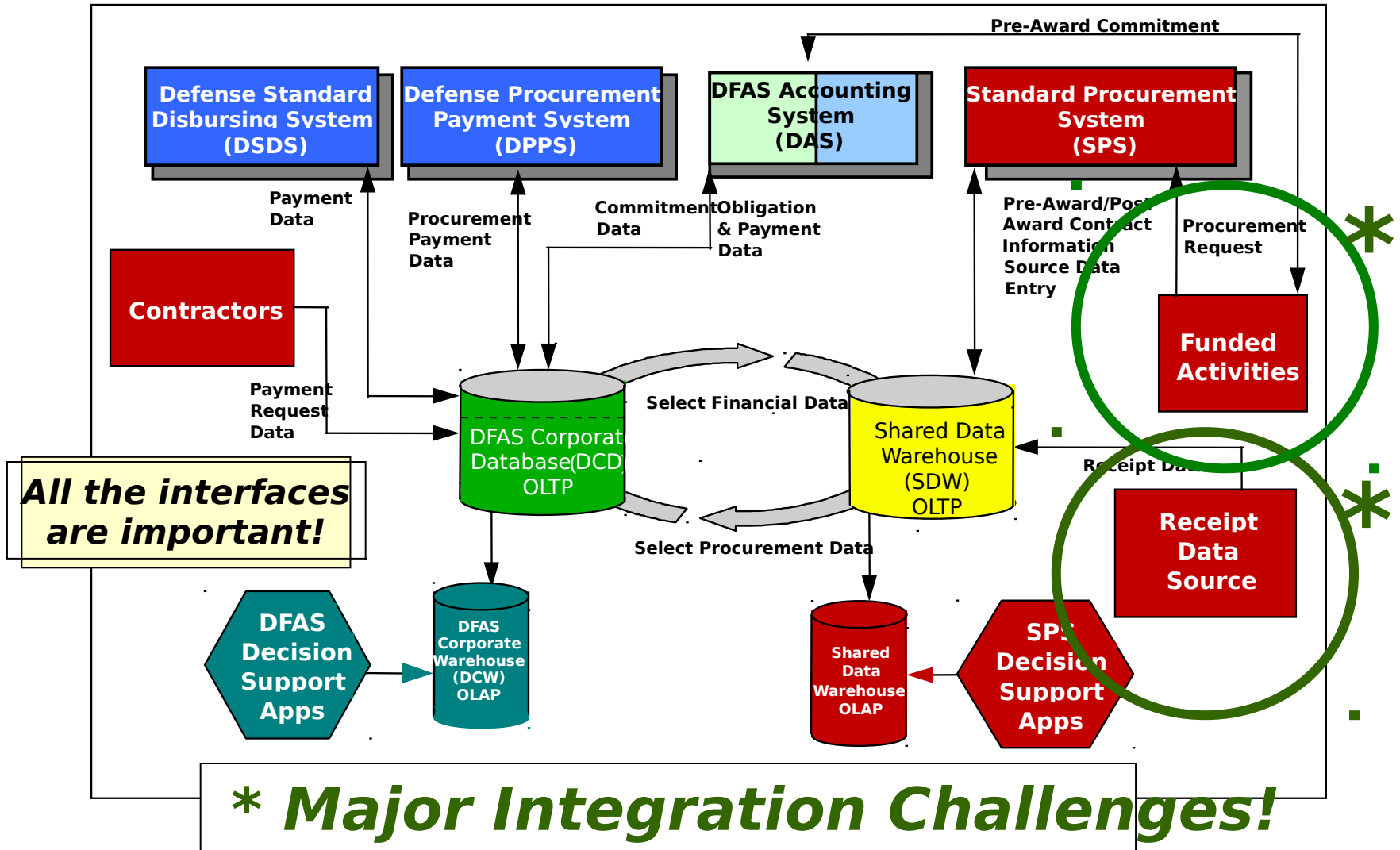
**These systems
all have to share
data and information . . .**

**They need
to “talk” to each
other really well . . .**



Integration Challenges

Notional "To-Be" Architecture





End-to-End Procurement Process

Why We're Here

Goals and Expectations:

- ▮ **Develop an “End-to-End” Process Flow for the Contracting Process as Envisioned for FY 00, as Enabled by Electronic Initiatives**

***Seamless interoperability
is the goal!***





End-to-End Procurement Process

Scope of Our Effort

- ▮ **Define the “To Be” Environment for the DoD Contracting Process, Worldwide, Including:**
 - Requirements
 - Solicitations
 - Awards and Modifications
 - Receipts
 - Payments
 - Contract Closeout
- ▮ **Address Process Dependencies, Integration Requirements, Information Requirements, and Responsibilities**
- ▮ **Seamless Data Flow Between Business**

Processes

Business “Processes” vs. “Practices”



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Approach

- ▮ **Phase 1 - Model Template** *November 17-19*
 - ▮ **“Process” SMEs**
- ▮ **Phase 2 - Develop Process Model** *December 8-10*
 - ▮ **“Technical” Data Exchange SMEs**
- ▮ **Phase 3 - Detailed “To-Be” Model** *January 5-7*
January 26-28
 - ▮ **As many levels of indenture as needed** *February 9-11*
 - ▮ **Smaller Group of SMEs**
- ▮ **Phase 4 - System Cross-Walk** *February 23-24*
- ▮ **Phase 5 - “Final Polishing” Session** *Early March*
- ▮ **Develop Reports and Briefings** *Mid-March*



Objective of Phase 1

November 17-19, 1998

- **Create a To-Be Procurement Process Model Template**
 - **Develop Process Model Composition**
 - **Detail Process Model Map**
 - **Identify Process Inputs/Outputs**
- **Capture Pertinent Business Rules**
- **Capture Improvement Ideas and Opportunities**

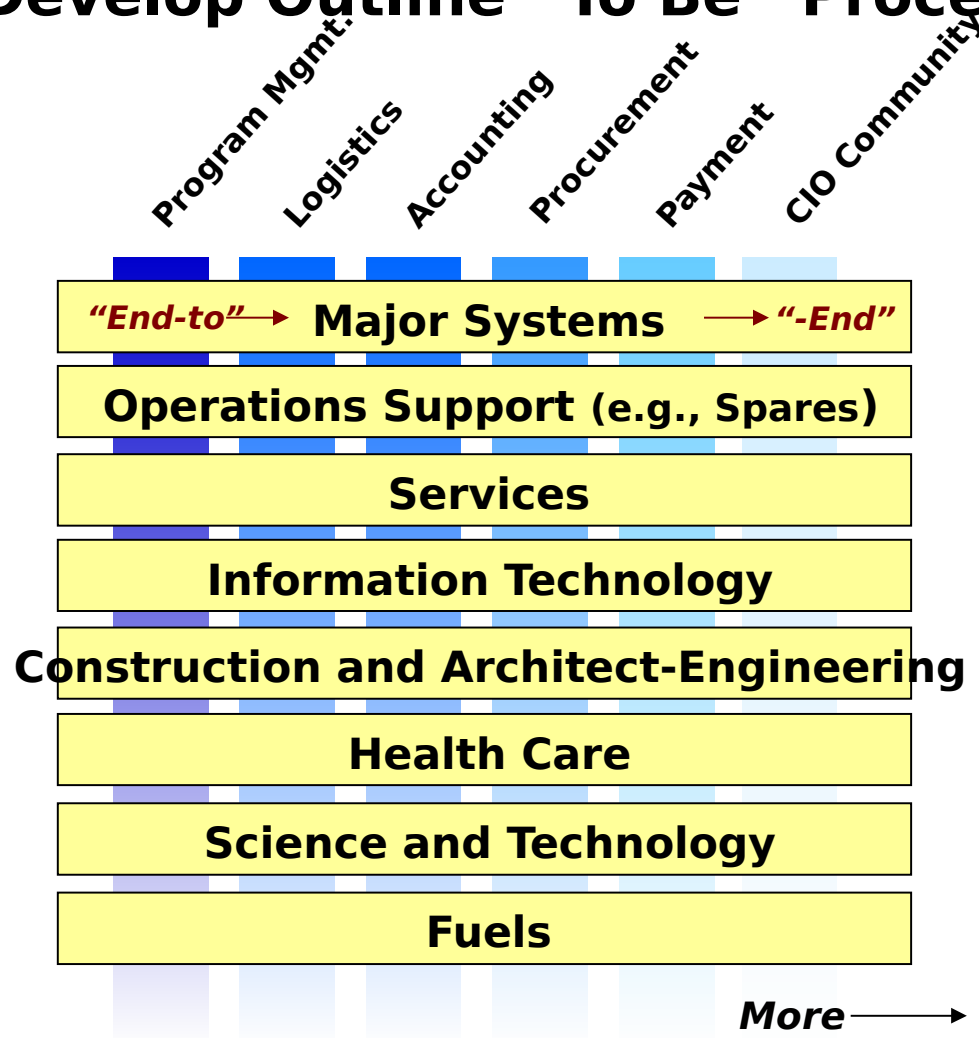


Phase 1 - Model Template

Purpose of Session: Develop Outline “To Be” Process

**“What we buy drives
how
we buy!”**

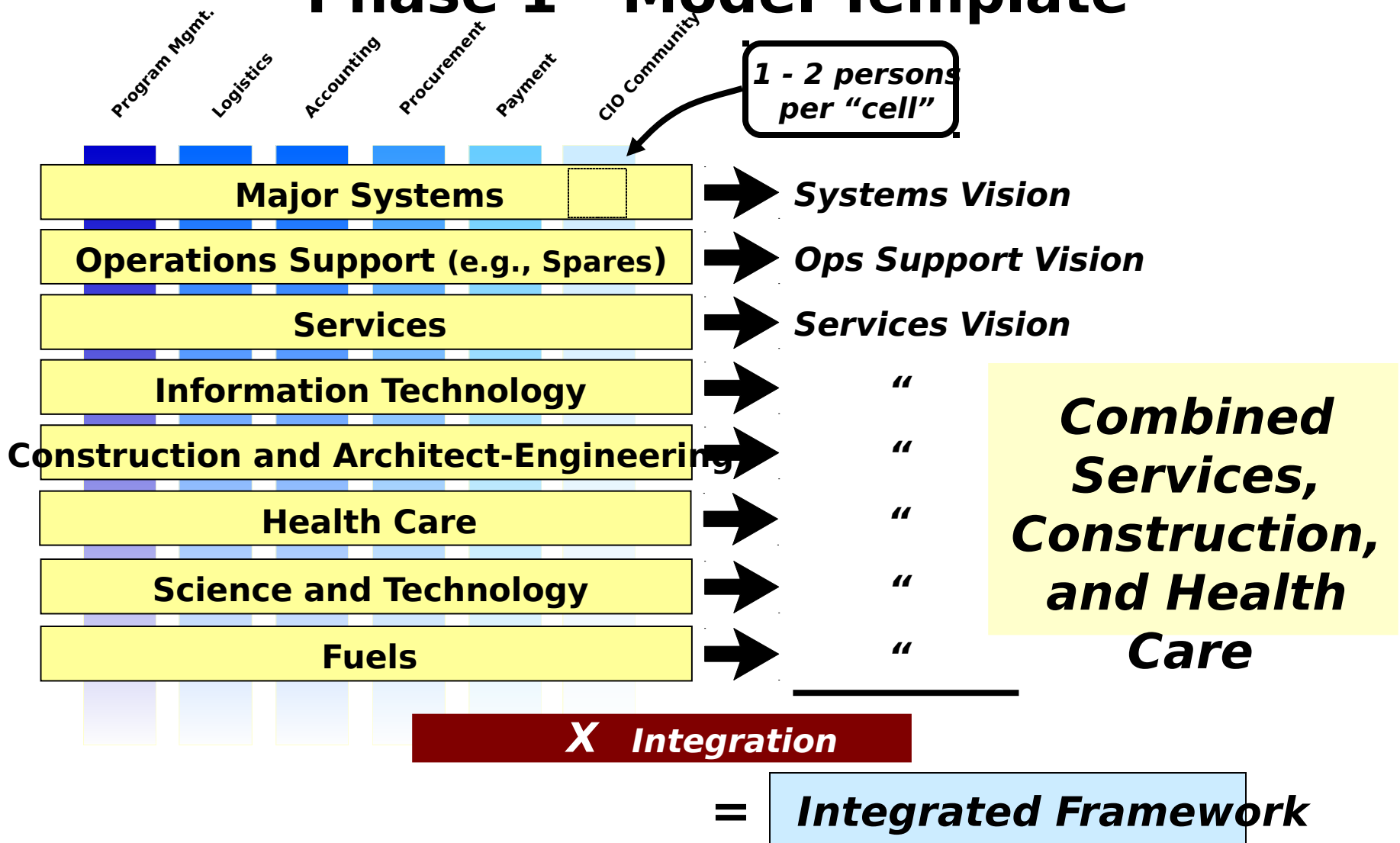
“End-to-End” views . . .





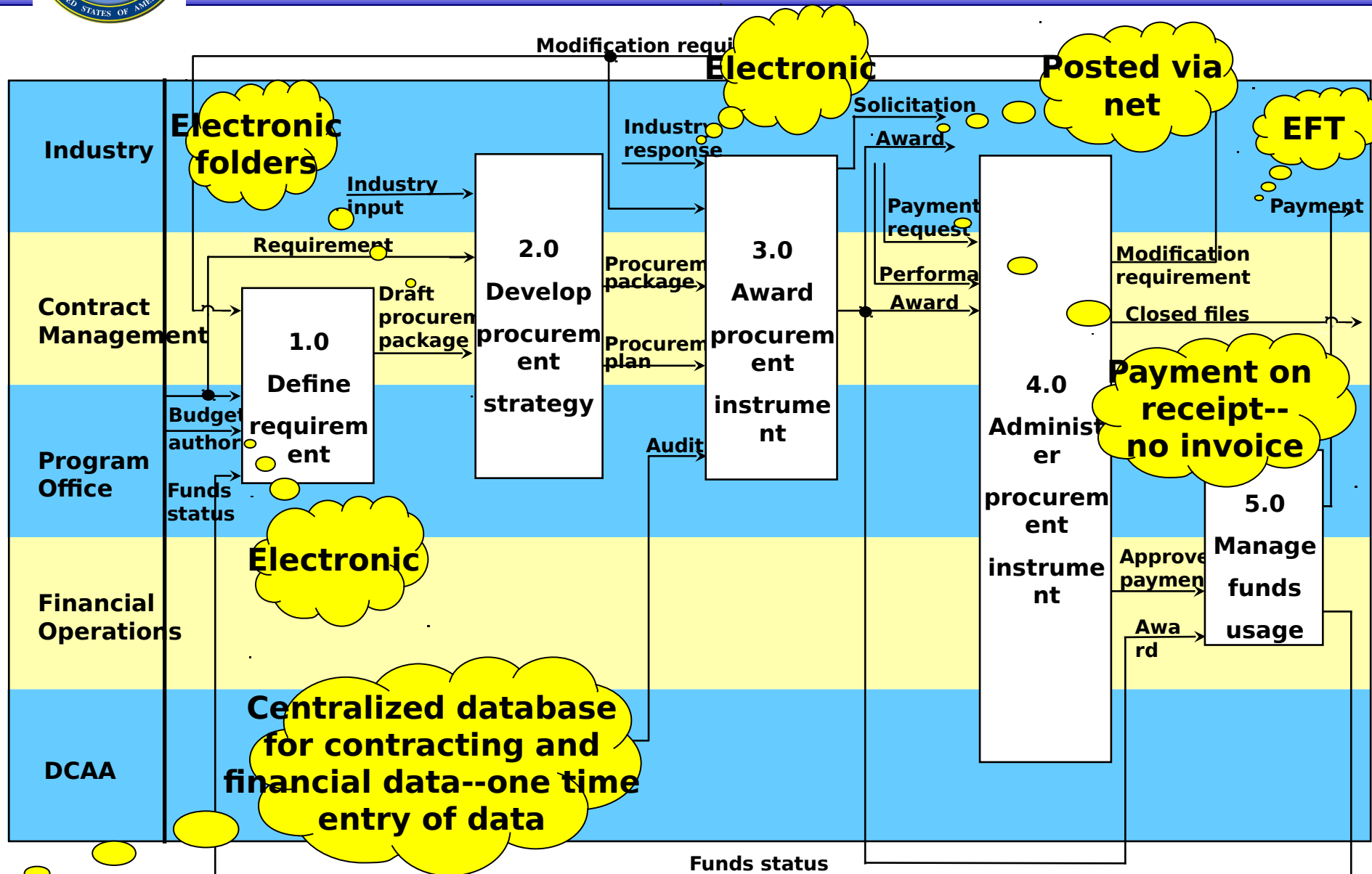
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Phase 1 - Model Template





To-be Procurement Process Map





End-to-End Procurement Process

Integrated Framework

- ▮ **Similar to As-Is Process Model at Macro-Level**
- ▮ **Increase Use of Electronic Transactions**
 - ▮ **More Use of World Wide Web**
 - ▮ **Use Wide Area Workflow for Receipts/Payments and Contract Closeout**
- ▮ **Changed Some Inputs/Outputs and Roles**
 - ▮ **Deleted Invoices**
 - ▮ **Payment Requests “Approved” by Contract Admin**
 - ▮ **DFAS Functions as Accountant and Bank**



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Improvement Ideas

- ▮ Posted to Web-Site**
- ▮ Organized by Subgroup and “As-Is” Process Area**
- ▮ Samples:**
 - ▮ Contractor Access to SDW**
 - ▮ Single Site for Posting Solicitations**
 - ▮ Automatic Notification of Award (or Modification)**
 - ▮ On-line Access to Delivery and Payment Status**
 - ▮ Update Statutes for “Electronic Acquisition”**



Objective of Phase 2

December 8-10, 1998

- **Refine Procurement Process Model**
- **Divided Group into Four Areas**
 - **Procurement Planning**
 - **Pre-Award**
 - **Post Award**
 - **Receipts and Payments**
- **Identify Data Elements and Sources**
- **Identify “Connectivity” Issues**
- **Capture Improvement Ideas**



Objective of Phase 3

Several Sessions - Ongoing

- **Integrate and Incorporate Phase 1 and 2 Results**
- **Develop Initial “To-Be” Procurement Process Model**
- **Define “To-Be” Process Inputs/Outputs**
- **Build Initial “To-Be” Systems Models to Document Process Flow**
- **Document Pertinent Business Rules**
- **Incorporate Improvement Ideas and Opportunities**



Objective of Phase 4

February 23-24, 1999

- **Review Results with Key Systems Program Offices**
 - **SPS/SDW**
 - **DPPS/DCD**
- **Refine “To-Be” Models as Necessary**
- **Refine Business Rules and Recommendations**



Objective of Phase 5

Early March, 1999

- **One-Day Conference to Present Results**
- **Scrub Models with SMEs**
 - **Phase 1 Participants**
 - **Phase 2 Participants**
 - **Anyone Else**
- **Refine “To-Be” Models as Necessary**
- **Refine Business Rules and Recommendations**



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Progress Review

- ▮ **Owe Progress Review to DCMC (Maj Gen Malishenko) and DFAS (Mr Amlin)**
- ▮ **Review Needed by February 22, 1999**
- ▮ **Status Report of Where We Are**
 - ▮ **Need to Incorporate Phase 1 and Phase 2 Results**
 - ▮ **Want to Show Initial “To-Be” Process Model**
- ▮ **Coordinate Through Core Group**
 - ▮ **Coordinate via Web?**



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Final Words . . .

- ▮ **“To-Be” Procurement Process Activity Underway**
- ▮ **Need Continued Support for Upcoming Phases**
 - ▮ **Additional SMEs**
 - ▮ **Review Results (Posted to Website)**
 - ▮ **Coordination**
- ▮ **Progress Review**





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Any Questions?

